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OF COUNSEL  
WILLIAM G. CONLY

February 7, 2003

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 44275  
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Lower Cotton Valley Formation, Reservoir A, and Hosston  
(Travis Peak) Formation, SLIGO FIELD, Bossier Parish,  
Louisiana.

Dear Sir:

GREYSTONE PETROLEUM, L.L.C. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Lower Cotton Valley Formation, Reservoir A, and to the Hosston (Travis Peak) Formation, in the Sligo Field, Bossier Parish, Louisiana:

1. To permit Applicant to drill, designate and utilize its A. J. Murff 17 No. 1 Well as the unit well for LCV RA SUC, and as an additional alternate unit well for HOSS TP SUE, at the location shown on the attached plats, in exception to the well location provisions of Office of Conservation Order No. 8-K, effective October 16, 1990 (applicable to the Lower Cotton Valley Formation, Reservoir A), and of Office of Conservation Order No. 8-B, effective September 1, 1956 (applicable to the Hosston (Travis Peak) Formation).
2. To permit Applicant to drill, designate and utilize its Hall 20 No. 2 Well and Johnson et al. 20 No. 1 Well as alternate unit wells for HOSS TP SUBB at the locations shown on an attached plat, with the location for the proposed Hall 20 No. 2 Well being in exception to the well location provisions of Office of Conservation Order No. 8-B.
3. To find that drilling, designation and use of alternate unit wells for HOSS TP SUE and for HOSS TP SUBB is necessary to efficiently and economically drain a portion of the Hosston (Travis Peak) Formation, underlying these units which cannot be efficiently and economically drained by any existing well within these units.
4. To permit the Operator of HOSS TP SUE and of HOSS TP SUBB to produce the allowables assigned to these units from either the unit well, any alternate unit well, or from any combination of such wells, at the option of the Operator.
5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

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The Lower Cotton Valley Formation, Reservoir A, in the Sligo Field, Bossier Parish, Louisiana, was defined in Office of Conservation Order No. 8-K, effective October 16, 1990.

The Hosston (Travis Peak) Formation in the Sligo Field, Bossier Parish, Louisiana, was defined in Office of Conservation Order No. 8-B, effective September 1, 1956.

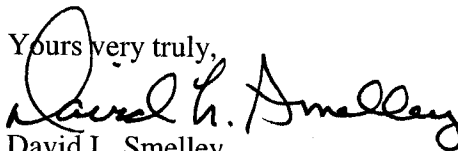
Pertinent data concerning this application is available for inspection at the offices of Mr. Joe B. Adams, 4520 Jamestown Avenue, Suite 6, Baton Rouge, Louisiana 70804. Any person desiring to inspect such data should call Mr. Adams at (225) 929-6097 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter and of the two (2) attached plats is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and of the enclosed plats at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Sligo Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

A check payable to the Office of Conservation and covering the application fee is enclosed.

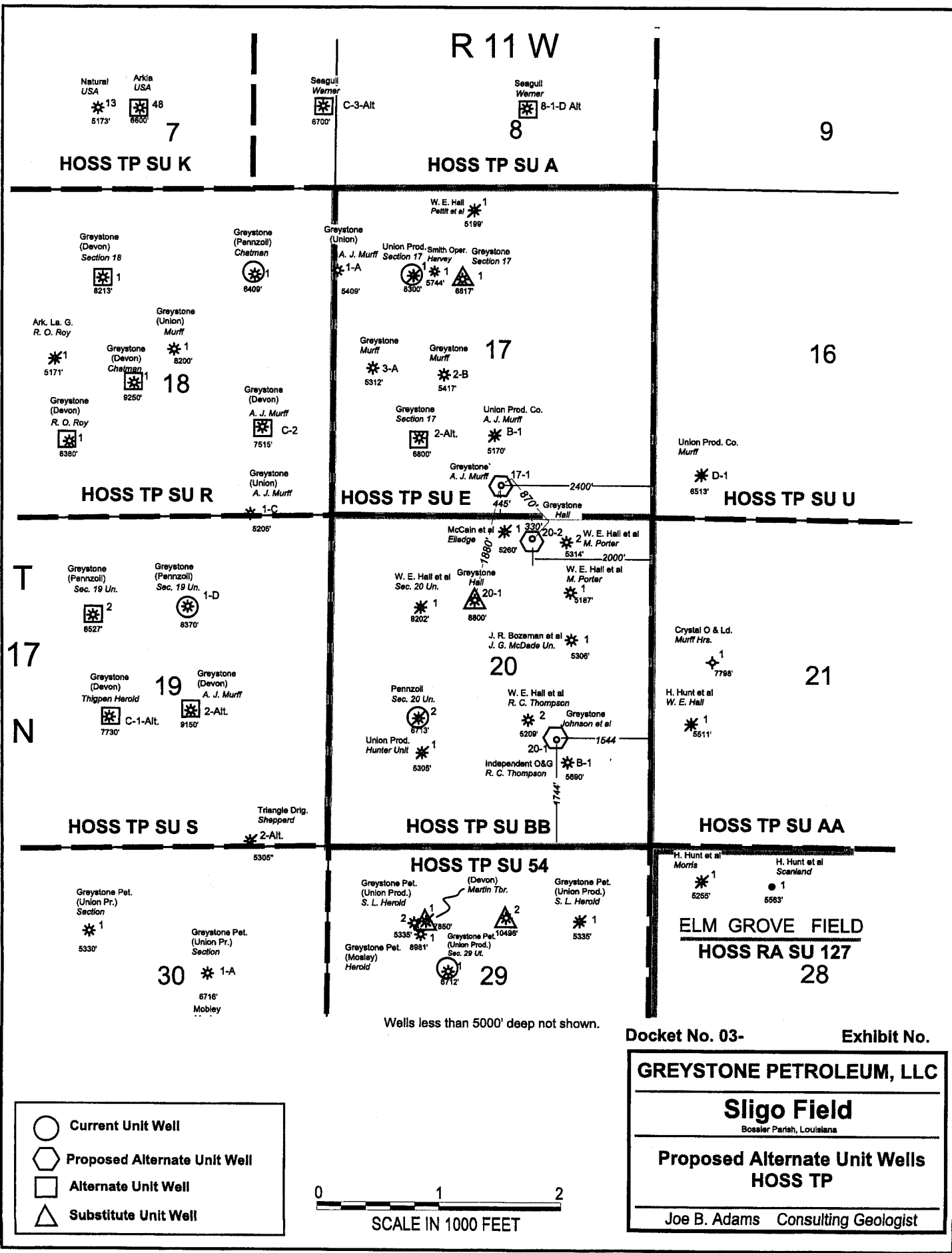
Yours very truly,  


--  
David L. Smelley  
Attorney for Greystone Petroleum, L.L.C.

DLS:dp  
Enclosures

cc: Mr. Jim Broussard (w/encls.)  
Mr. Carl Drews (w/encls.)  
Mr. Joe Adams (w/encls.)  
Interested Owners, Represented  
Parties and Interested Parties (w/plats only)





R 11 W

Natural  
USA  
13  
5173'

Arkia  
USA  
48  
6650'

Seagull  
Werner  
C-3-Alt  
6700'

Seagull  
Werner  
8-1-D Alt  
6700'

HOSS TP SU K

HOSS TP SU A

9

Greystone  
(Devon)  
Section 18  
1  
6213'

Greystone  
(Pennzoll)  
Chapman  
1  
6409'

Greystone  
(Union)  
A. J. Murff  
1-A  
5409'

W. E. Hall  
Petit et al  
1  
5199'

Union Prod. Smith Oper. Harvey  
Section 17  
1  
5744'

Greystone  
Section 17  
1  
6817'

Ark. La. G.  
R. O. Roy  
1  
5171'

Greystone  
(Union)  
Murff  
1  
6200'

Greystone  
(Devon)  
Chapman  
1  
9250'

Greystone  
(Devon)  
A. J. Murff  
C-2  
7515'

Greystone  
Murff  
3-A  
5312'

Greystone  
Murff  
2-B  
5417'

17

16

HOSS TP SU R

HOSS TP SU E

HOSS TP SU U

T

Greystone  
(Pennzoll)  
Sec. 19 Un.  
2  
6527'

Greystone  
(Pennzoll)  
Sec. 19 Un.  
1-D  
1  
6370'

W. E. Hall et al  
Sec. 20 Un.  
1  
6202'

McCain et al  
Elledge  
1  
5280'

Greystone  
Hall  
20-1  
1  
6800'

W. E. Hall et al  
M. Porter  
2  
5314'

W. E. Hall et al  
M. Porter  
1  
5187'

J. R. Bozeman et al  
J. G. McDade Un.  
1  
5306'

Pennzoll  
Sec. 20 Un.  
2  
6713'

W. E. Hall et al  
R. C. Thompson  
2  
5209'

Greystone  
Johnson et al  
20-1  
1  
5690'

Independent O&G  
R. C. Thompson  
B-1  
1  
5690'

Crystal O & Ld.  
Murff Hrs.  
1  
7798'

H. Hunt et al  
W. E. Hall  
1  
5511'

17

21

N

Greystone  
(Devon)  
Thigpen Harold  
C-1-Alt.  
1  
7730'

Greystone  
(Devon)  
A. J. Murff  
2-Alt.  
1  
9150'

HOSS TP SU S

HOSS TP SU BB

HOSS TP SU AA

Triangle Orig.  
Sheppard  
2-Alt.  
1  
5305'

Greystone Pet.  
(Union Pr.)  
Section  
1  
5330'

Greystone Pet.  
(Union Pr.)  
Section  
1-A  
1  
6716'

30

Greystone Pet.  
(Union Pr.)  
S. L. Harold  
2  
5335'

(Devon)  
Martin Tbr.  
2  
10499'

Greystone Pet.  
(Union Pr.)  
S. L. Harold  
1  
5335'

Greystone Pet.  
(Mosley)  
Harold  
1  
6712'

Greystone Pet.  
(Union Pr.)  
Sec. 29 Un.  
1  
6712'

29

H. Hunt et al  
Morris  
1  
5265'

H. Hunt et al  
Scanland  
1  
5563'

ELM GROVE FIELD  
HOSS RA SU 127  
28

Wells less than 5000' deep not shown.

Docket No. 03-

Exhibit No.

GREYSTONE PETROLEUM, LLC

Sligo Field

Bossier Parish, Louisiana

Proposed Alternate Unit Wells  
HOSS TP

Joe B. Adams Consulting Geologist